Agenda ltem 3
June 4, 2012

## CITY of NOVI CITY COUNCIL

SUBJECT: Approval to award a construction contract for the 2012 Neighborhood Road Program to Hard Rock Concrete, Inc., the low bidder, in the amount of $\$ 1,012,788$.
SUBMITTING DEPARTMENT: Depaptment of Public Services, Engineering Division 1 C CITY MANAGER APPROVAL.

| EXPENDITURE REQUIRED | $\$ 1,012,788$ |
| :--- | :--- |
| AMOUNT BUDGETED | $\$ 1,000,000$ |
| APPROPRIATION REQUIRED | $\$ 12,788$ |
| LINE ITEM NUMBER | $203-203.00-865.432$ |

## BACKGROUND INFORMATION:

For several years, the City Council has made it a goal to invest annually in neighborhood streets to maintain the City's local road network. To implement this goal, the City selects several residential streets to be addressed based on an evaluation of the pavement condition using PASER ratings, field observations by staff, and resident concerns. The 2012 Neighborhood Road Program will implement the City's Asset Management approach for pavements that was established in 2009. This project includes multiple treatment methods which were determined during the design process based on our asset management approach, focused on preventative maintenance where appropriate and designed to extend the life of the City's roads in the most cost-effective manner.

The asset management program stresses the importance of using preventative maintenance to preserve good quality roads using low-cost rehabilitation techniques, rather than allowing the roads to deteriorate to a point that requires reconstruction involving much more effort at a higher cost. Roads that have deteriorated significantly will be addressed with rehabilitation methods such as overlays, panel replacements, and joint repairs to allow more efficient application of available road funds to maximize the number of neighborhood streets included in each year in the program. This year's program will address the following streets:

| Road Segment | From | To | Material | PASER | Treatment |
| :--- | :--- | :--- | :--- | :---: | :--- |
| Glen Haven Cir | E Glen Haven Cir | Broquet Dr | Concrete | $2-4$ | Joint/Slab Repair |
| Laramie | Eleven Mile | Cheyenne | Concrete | $4-5$ | Joint/Slab Repair |
| Foxton Dr | 9 Mile Rd | Steeple Path | Concrete | 4 | Joint/Slab Repair |
| Louvert Ct | Midway Dr | Cul-de-sac | Concrete | 4 | Joint/Slab Repair |
| Fainway Hills Dr | Simmons Dr | Surfside Rd | Concrete | 3 | Joint/Slab Repair |
| Braydon Cl | White Pines Dr | Cul-de-sac | Concrete | 3 | Reconstruct |
| Westminster Cir | Squire Rd | Haggerty Rd | Asphalt | $4-5$ | Mill and Overlay |
| Squire Rd. | Nilan Dr | Westminster Cir | Asphalt | $4-5$ | Mill and Overlay |
| Cottisford Rd | Novi Rd | Clity Limits | Asphalt | 2 | Reconstruct |
| Jamestown | Ten Mile | Yorkshire | Asphalt | 8 | Drainage Improvements |

The streets listed above comprise 1.95 miles of improvements for 2012. In contrast, the portion of the additional $\$ 2.1$ million that could be generated from passage of the proposed road millage increase and allocated to local streets (or approximately $\$ 1,365,000$ ) would improve approximately 2.63 additional miles of neighborhood streets in 2013 (over and above the $\$ 1,000,000$ in construction currently planned for 2013).

The required reconstruction of Cottisford is an example of a road segment where maintenance may have been neglected, allowing the road to deteriorate to a point where the road cannot be rehabilitated. Braydon Court is an exception and has been proposed for reconstruction rather than rehabilitation because the concrete has exhibited evidence of deterioration due to a problem referred to as alkali-silica reaction (ASR), which is a chemical reaction that causes brittle cracks to radiate from the interior of the aggregate out into the surrounding cement, resulting in accelerated deterioration and eventual failure of the concrete.

Four bids were received and opened on May 23, 2012 following a public bid solicitation period. The lowest bidder is Hard Rock Concrete. Hard Rock's bid is recommended as being in the best interest of the City as it is responsive (i.e.. Hard Rock has complied with all requirements of the bidding instructions) and it is the lowest price. (OHM's award recommendation letter including the bid tabulation dated May 29, 2012 is attached.) A summary of the four bids is as follows:

| Contractor | Bid Price <br> (including Crew Days)* |
| :--- | :---: |
| Hard Rock Concrete | $\$ 1,052,148.00$ |
| Audia Construction | $\$ 1,093,671.00$ |
| Florence Cement | $\$ 1,244,669.25$ |
| Montes Contracting | $\$ 1,260,460.50$ |

*Crew Days are included to compare bids, but are not included in the award.

This project was included in the FY2011-12 Capital Improvement Program (CIP) in the budgeted amount of $\$ 1,150,000$ for construction and $\$ 70,000$ for engineering (total project budget of $\$ 1,220,000$ ), of which $\$ 88,838$ was awarded for design engineering, $\$ 1,012,788$ is now being recommended for award to Hard Rock for construction, and $\$ 93,037$ is also recommended for award to OHM for construction engineering services (a separate item on this agenda) for total contract awards in the amount of \$1,1947,663.

Construction engineering services for this project is being recommended for award to OHM as a separate item on this agenda. It is anticipated that the construction of the project will begin this summer and be completed this construction season.

RECOMMENDED ACTION: Approval to award a construction contract for the 2012 Neighborhood Road Program to Hard Rock Concrete, Inc., the low bidder, in the amount of $\$ 1,012,788$.

|  | 1 | 2 | Y | N |
| :--- | :--- | :--- | :--- | :--- |
| Mayor Gatt |  |  |  |  |
| Mayor Pro Tem Staudf |  |  |  |  |
| Council Member Casey |  |  |  |  |
| Council Member Fischer |  |  |  |  |


|  | 1 | 2 | Y | N |
| :--- | :---: | :---: | :---: | :---: |
| Council Member Margolis |  |  |  |  |
| Council Member Mutch |  |  |  |  |
| Council Member Wrobel |  |  |  |  |



## City of Novi

Attention: Ben Croy, P.E. Engineer

## Regarding: City of Novi - 2012 Neighborhood Roads Program Recommendation of Award <br> OHM Job \# 0163-11-0011

Dear Mr. Croy:
Sealed bids for the 2012 Neighborhood Roads Program were received and publicly read aloud on Wednesday, May 23, 2012. Proposals were received from four (4) bidders. The four (4) bid amounts were read aloud were:

| Contractor | Amount |
| :--- | :---: |
| Hard Rock Concrete, Inc | $\$ 1,053,863.50$ |
| Audia Concrete Construction, Inc. | $\$ 1,134,793.00$ |
| Florence Cement Company | $\$ 1,284,840.25$ |
| Montes Contracting | $\$ 1,352,401.50$ |

The Engineer's Opinion of Probable Construction Cost was estimated to be $\$ 1,173,047.00$
The project scope consists of performing road reconstruction or rehabilitation work in the following locations: Westminster Circle, Squire Road, Glen Haven Circle, Cottisford Road, Foxton Drive, Louvert Court, Braydon Court, Fairway Hills Drive, Laramie and Cheyenne Drive, and Jamestown Road. The work to be done under this Contract includes the furnishing of materials, equipment, and labor necessary to complete the proposed work, as well as all necessary restoration in accordance with the specifications.

Hard Rock Concrete, Inc is the apparent low bid. Hard Rock Concrete, Inc., located in Westland, MI, has completed many projects with the City, including the 2011, 2009, and 2008 Neighborhood Road Programs and has provided quality work for the City.

After reviewing the bid, it was noticed that several bids items did not have uniform unit prices across differing Divisions as required by the bidding instructions and project specifications. Our office contacted Hard Rock Concrete Inc. regarding these bid discrepancies, for the following items: Conduit, Direct Burial, Trench B, 3 inch, Driveway, Nonreinf Conc, 6 inch, HMA 13A, and HMA 3C. The lowest unit price was utilized for all these bid items, except for HMA 13A and HMA 3C. After discussions with the City and Hard Rock Concretize Inc., it was determined that the higher unit price of $\$ 160 /$ ton unit price for HMA, 13 A, and HMA 3C was justified for Division J - Jamestowne as the Contractor would need to complete this work with manual hand work versus utilizing the paving machine like in the other Divisions thereby creating a higher cost. After recalculating the bid for the agreed upon prices, the bid becomes \$1,052,148.00

Based on our findings, we recommend award of this contract to Hard Rock Concrete, Inc. in the amount of $\mathbf{\$ 1 , 0 5 2 , 1 4 8 . 0 0}$, per the unit prices bid for the project.

If you have any questions please do not hesitate to give our office a call at (734) 522-6711.
Sincerely,
ORCHARD, HILTZ \& McCLIMENT, INC.


James C. Stevens P.E.
Client Representative


Jacob Rushlow, P.E.
Project Engineer



